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SUBJECT: THE CRITICS AGREE: THE GROWING CHORUS OF CRITICISM  
RE HUNGARY'S FOREIGN POLICY APPARATUS

Classified By: P/E COUNSELOR ERIC V. GAUDIOSI; REASONS 1.4 (B) AND (D)

11. (C) Opposition figures, government insiders, and outside observers are increasingly vocal in their criticism of the substantive content and the bureaucratic process of Hungary's foreign policy.

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12. (C) The growing discontentment makes for strange bedfellows. Both Alexandra Dobolyi, the MSZP MP and MEPP recently appointed as head of the party's foreign policy office, and FIDESZ stalwart Zsolt Nemeth, chairman of the Parliamentary Foreign Affairs Committee, tell us separately that Hungary has "no foreign minister, no foreign ministry, and no foreign policy." Both see a degree of opportunity in the current policy vacuum: Dobolyi is candid in noting the bureaucratic room for maneuver afforded to her and to the party, and equally blunt in assessing - with grudging respect - that "the only energy, imagination, and initiative on foreign policy now is coming from the Foreign Affairs Committee."

13. (C) Nemeth and Dobolyi diverge, however, on the origins of the present malaise. Nemeth tells us that while he does not believe that the Gyurcsany government is "against the transatlantic relationship," nor does he see any willingness to be "more than neutral" on key issues such as energy security. He believes the Gyurcsany government maintains "business interests" with Russia. FIDESZ MP Laszlo Kover is also preparing an article detailing alleged links between the Hungarian security services and their Russian counterparts. Nemeth sees morale at the MFA as abysmal, with staff "trying desperately for assignments overseas rather than in Budapest." He noted recent steps by the government to improve coordination, including the recent recall of its PSC Ambassador from Brussels to serve as Foreign Policy Advisor to the PM, but believes the problem starts at the top.

THE WORST FOREIGN POLICY MONEY CAN BUY

14. (C) Nemeth's views are shared by Pal Dunai, Director of Hungary's Foreign Policy Institute (FPI), whose general sympathy for the government does not prevent him from speaking out on the government's foreign policy malaise. Dunai believes Gyurcsany has "no interest in security issues," and believes he has developed an unproductive relationship with the foreign policy bureaucracy. Only recently returned from nearly a decade in Sweden, Dunai is already contemplating resignation, in part to protest the MFA's funding practices, which he believes leave the FPI bankrupt "so that others can fly business class." (Note: According to Dunai, the MFA has already spent 125 percent of its 2007 travel budget. End Note.)

15. (C) For her part, Dobolyi vigorously rejects the

widespread assertion that Gyurcsany is getting exactly what he wants: a passive MFA and personal control over foreign policy. She lays the blame primarily with FM Goncz, hinting at the PM's growing frustration with her tenure at the Ministry. Dobolyi concedes that Goncz has "made the personnel cuts she was brought in to make" but believes the FM is now expendable, asking flatly "who would want Kinga to be the face of their country?" Dobolyi suggests that Gyurcsany will want to make his mark in foreign policy given his domestic political constraints. She believes he will use the MSZP as a vehicle to do so, capitalizing on the party's membership in the Socialist International (SI). (Note: Indeed, in conversation with us she made a particular point of distinguishing the SI's policy positions from the GoH's stand on issues such as Kosovo and China. End Note.)

#### BRUSSELS ON THE FRONT LINES

16. (C) As Dobolyi readily admits, the opposition is equally active in using the European Peoples Party (EPP) to enhance its international stature. She sees "escalating parity" as both the MSZP and FIDESZ seek allies and attention internationally, taking their conflict to new lengths. She believes the ongoing debate on energy security has been a watershed for Hungary, and that it has the potential to become a "cross-over" issue of domestic concern. Interestingly, Dobolyi evinced greater antipathy toward the SZDSZ for its attempts to "blackmail" the government on domestic policy issues than she did toward the opposition.

17. (C) Biographic Notes: At 36, Dobolyi has been linked romantically with a series of senior MSZP party officials in Budapest and in Brussels. Energetic, ambitious, and opinionated, she presents herself as being all of the things

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that the current foreign policy bureaucracy is not. Her name has surfaced as a possible successor to FM Goncz in the context of the latest rumored cabinet reshuffle, but she is widely disliked even in her own party. It may be too soon for Dobolyi, as her name is still associated with her gaffe at an event in Romania during last year's election campaign, when she dismissed discrimination against the Hungarian minority there.

#### THE APPEARANCE OF POLICY

18. (C) The effort to craft a new national Foreign Policy Strategy has highlighted the MFA's current straits. Announced with great fanfare and periodically highlighted by the PM and FM, the exercise is being ridiculed even by the bipartisan experts involved in the drafting as lacking even elementary coordination. At the same time, the decision to turn to outside consultants - at the reported cost of 40 million forint - has prompted resentment at the Ministry. Observing from Parliament, Foreign Affairs Committee staffers tell us that this is "the fourth strategy in five years," adding that "all were fine but none were relevant because they were never implemented. Dunai downplays the exercise as an attempt to create "the appearance of policy," and Nemeth dismissed the effort as proof that "those who can't do ... study."

x. (C) Comment: Hungary has gone from consensus over foreign policy to a consensus among opinion-makers that foreign policy is adrift. Although Nemeth clearly sees political advantage in shining a harsh light on the GoH's vulnerabilities, he is doubtless genuinely concerned regarding damage that could effect the country and not just the Gyurcsany government. If her reputation is any guide, Dobolyi will search for personal advantage in the political challenge, and we expect the MSZP to develop a more active and potentially divergent voice on foreign policy. A more authoritative opposition and a more active party will likely work to the MFA's further bureaucratic disadvantage. This correlation of forces could also work to the GoH's ultimate

detriment, as foreign policy decisions are viewed  
increasingly through the lens of domestic politics. End  
Comment.

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